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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-890]

Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that emulsion styrene-butadiene (ESB rubber) from the Republic of Korea (Korea) is being, or is likely to be, sold, at less than normal value in the United States during the period of review (POR) February 24, 2017 through August 31, 2018. We invite all interested parties to comment on these preliminary results.

DATES: Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

FOR FURTHER INFORMATION CONTACT: Eliza Siordia, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3878.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting an administrative review of the antidumping duty order on ESB rubber from Korea in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as

amended (the Act).¹ On November 15, 2018, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the *Order* covering seven companies.² On December 3, 2018, Commerce selected LG Chem, Ltd. (LG Chem) as the mandatory respondent for this review.³ Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 28, 2019.⁴ On June 20, 2019, Commerce postponed the preliminary results of this review. The revised deadline for the preliminary results is November 7, 2019.⁵

Scope of the *Order*

The product covered by this *Order* is ESB rubber from Korea. For a full description of the scope, *see* the Preliminary Decision Memorandum.⁶

Methodology

Commerce is conducting this review in accordance with 751 of the Act. Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of our methodology underlying the preliminary results, *see* the Preliminary Decision Memorandum. A

¹ *See Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Final Affirmative Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances, in Part*, 82 FR 33045, July 19, 2017 (*Order*).

² *See Initiation of Antidumping or Countervailing Duty Administrative Reviews*, 83 FR 57411 (November 15, 2018) (*Initiation Notice*).

³ *See* Memorandum, “Administrative Review of Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Respondent Selection,” dated December 3, 2018.

⁴ *See* Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties to the Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Partial Shutdown of the Federal Government,” dated January 28, 2019. All deadlines in the segment of the proceeding have been extended by 40 days.

⁵ *See* Memorandum, “Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review, 2017- 2018,” dated June 20, 2019.

⁶ *See* Memorandum, “Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Emulsion Styrene-Butadiene Rubber from the Republic of Korea; 2017-2018,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

list of topics included in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Rates for Non-Examined Companies

As a result of this review, we calculated a preliminary weighted-average dumping margin for LG Chem. Accordingly, Commerce has preliminarily assigned to the companies not selected for individual examination the margin calculated for LG Chem.

Preliminary Results of Review

We preliminarily determine that the following weighted average dumping margins exist, for the period of February 24, 2017 through August 31, 2018:

Exporter/Producer	Weighted-Average Dumping Margin
LG Chem, Ltd.	2.83 percent
Daewoo International Corporation ⁷	2.83 percent
Kumho Petrochemical Co. Ltd.	2.83 percent
Sungsan International Co, Ltd.	2.83 percent
WE International Co., Ltd.	2.83 percent
Kukje Trading Corp.	2.83 percent
Hyundai Glovis Co., Ltd.	2.83 percent

⁷ We note that in the *Initiation Notice*, we spelled Daewoo International Corporation as "Daewoo International Corporatin." However, the spelling should have been "Daewoo International Corporation." See Lion Elastomers LLC's Letter, "Antidumping Duty Order on Emulsion Styrene Butadiene Rubber From Korea (A-580-890): Request for First Administrative Review," dated September 28, 2018.

Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. If LG Chem's weighted-average dumping margin is not zero or *de minimis* (i.e., less than 0.5 percent) in the final results of this review, we will calculate an importer-specific *ad valorem* antidumping duty assessment rate based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is not zero or *de minimis*. If LG Chem's weighted-average dumping margin is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review where applicable.

In accordance with our practice, for entries of subject merchandise during the POR produced by LG Chem for which the company did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate those entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. We intend to issue instructions to CBP 15 days after the publication date of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the

Act: (1) the cash deposit rate for the companies under review will be the rate established in the final results of this review (except, if the *ad valorem* rate is *de minimis*, then the cash deposit rate will be zero); (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, or the original investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 9.66 percent, the all-others rate established in the investigation.⁸ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose its calculations and analysis performed to interested parties in these preliminary results within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities. Case and rebuttal briefs should be filed using ACCESS.

⁸ See *Order*.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; (3) whether any participant is a foreign national; and (4) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case briefs. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined.⁹ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred

⁹ See 19 CFR 351.310(c).

and increase the subsequent assessment of the antidumping duties by the amount of the antidumping duties reimbursement.

Notification to Interested Parties

The preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(4).

Dated: November 6, 2019.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Companies Note Selected for Individual Examination
- V. Comparisons to Normal Value
- VI. Date of Sale
- VII. U.S. Price
- VIII. Normal Value
- IX. Currency Conversion
- X. Recommendation

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